

PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

CLERK'S OFFICE

NOTICE OF FILING AND HEARING

DOCKET NO. 2013-392-E

Joint Application of Duke Energy Carolinas, LLC and North Carolina Electric Membership Corporation for a Certificate of Environmental Compatibility and Public Convenience and Necessity for the Construction and Operation of a 750 MW Combined Generating Plant Near Anderson, SC

Duke Energy Carolinas, LLC ("Duke Energy Carolinas" or "Company") and North Carolina Electric Membership Corporation ("NCEMC"), pursuant to S.C. Code Ann. § 58-33-10 et seq., have filed a Joint Application with the Public Service Commission of South Carolina ("Commission") for a Certificate of Environmental Compatibility and Public Convenience and Necessity to construct and operate a 750 MW combined-cycle electrical generating plant on a site located in Anderson County and the Company's existing Lee Steam Station ("Lee Combined Cycle Project"). Duke Energy Carolinas will operate and own 650 MWs of the plant; NCEMC will own 100 MW. More specifically the proposed facility will be a 750 MW combined-cycle electrical generating plant located in Anderson County at the Company's existing Lee Steam Station with two combustion turbine generators, two heat-recovery steam generators, and one steam turbine generator.

According to the Joint Application, by 2017, without the addition of the Lee Combined Cycle Project, Duke Energy Carolinas is expected to need 317 MWs to meet its minimum target planning reserve margin of 14.5%. By 2018, without the Lee Combined Cycle Project, the Company's resource need grows to 573 MWs. The 2013 IRP designates the Lee Combined Cycle Project as the least-cost resource for the Company's need in 2017 and 2018 whether Duke Energy Carolinas owns 650 MWs or 750 MWs of the Lee Combined Cycle Project.

The Application further states that NCEMC anticipates using output from the Lee Combined Cycle Project as an energy product rather than capacity product, lending it flexibility in serving its member cooperatives' load, located in three discrete control areas. The energy derived from the Lee Combined Cycle Project will aid NCEMC in addressing certain critical portfolio planning objectives: 1) maintaining a desirable alignment of owned versus contracted resources, which currently "skew" toward purchases, rather than owned resources; 2) extending the anticipated "lifespan" of NCEMC's power supply portfolio, by addressing expiring power purchase agreements; 3) managing NCEMC's fuel diversity through the introduction of additional natural gas resources; and 4) enhancing financial value.

A copy of the Joint Application may be obtained from the Commission at the following address: Public Service Commission of South Carolina, Clerk's Office, 101 Executive Center Drive, Columbia, South Carolina 29210. Additionally, the Application is available on the Commission's website at www.psc.sc.gov and is available from the office of Timika Shafeek-Horton, Esquire, Duke Energy Carolinas, LLC, 550 South Tryon Street, DEC-45A, Charlotte, North Carolina 28202 and Richard M. Feathers, Esquire, North Carolina Electric Membership Corporation, Post Office Box 27306, Raleigh, North Carolina 27611-7306 and Len Anthony, Esquire, North Carolina Electric Membership Corporation, 1701 N. Ocean Boulevard, North Myrtle Beach, South Carolina 29582.

In order to receive testimony and evidence from all interested parties, a public hearing will be held in the Commission's Hearing Room, Synergy Business Park, 101 Executive Center Drive, Columbia, South Carolina beginning on **Tuesday, January 7, 2014, at 10:00 a.m.**

Any person who wishes to participate in this matter, as a party of record with the right of cross-examination should file a Petition to Intervene in accordance with the Commission's Rules of Practice and Procedure on or before **December 3, 2013**, and indicate the amount of time required for his or her presentation. Please include an email address for receipt of future Commission correspondence in the Petition to Intervene. *Please refer to Docket No. 2013-392-E.* Any person who wishes to testify and present evidence at the hearing should notify the Clerk's Office, in writing, at the address below, the South Carolina Office of Regulatory Staff at 1401 Main Street, Suite 900, Columbia, South Carolina 29201, and Timika Shafeek-Horton, Esquire, Duke Energy Carolinas, LLC, 550 South Tryon Street, DEC-45A, Charlotte, North Carolina 28202 and Richard M. Feathers, Esquire, North Carolina Electric Membership Corporation, Post Office Box 27306, Raleigh, North Carolina 27611-7306 and Len Anthony, Esquire, North Carolina Electric Membership Corporation, 1701 N. Ocean Boulevard, North Myrtle Beach, South Carolina 29582 on or before **December 3, 2013**, and indicate the amount of time required for his or her presentation. *Please refer to Docket No. 2013-392-E.*

PLEASE TAKE NOTICE: Any person who wishes to have his or her comments considered as part of the official record of this proceeding **MUST** present such comments, in person, to the Commission during the hearing.

Persons seeking information about the Commission's Procedures should contact the Commission in Columbia at 803-896-5100.

Public Service Commission of South Carolina
Attn: Clerk's Office
Post Office Drawer 11649
Columbia, SC29211